

मुख्य पोस्ट मास्टर जनरल डाक
परिमंडल, के पत्र क्रमांक 22/153,
दिनांक 10-1-06 द्वारा पूर्व भुगतान
योजनान्तर्गत डाक व्यय की पूर्व अदायगी
डाक द्वारा भेजे जाने के लिए अनुमत.



पंजी. क्रमांक भोपाल डिवीजन
म. प्र.-108-भोपाल-09-11.

मध्यप्रदेश राजपत्र

(असाधारण)

प्राधिकार से प्रकाशित

क्रमांक 307]

भोपाल, गुरुवार, दिनांक 17 जून 2010—ज्येष्ठ 27. शक 1932

ऊर्जा विभाग

मंत्रालय, वल्लभ भवन, भोपाल

POLICY

Bhopal, the 17th June 2010

No. F-I-01-09-XIII.—Pursuant to review of the independent Power Projects (IPPs) proposed to be implemented in the State through memorandum of Understanding (MoU) route, the Government of Madhya Pradesh (GoMP) formulates this policy for implementation with immediate effect, namely—Madhya Pradesh (Investment in Power Generation Projects) Policy, 2010.

The policy will be applicable to the Independent Power Projects with whom MoUs have been signed by the State Government as well as to future IPPs with whom the GoMP may sign MoUs.

(A) Projects for which MoU or Implementation Agreement has already been signed.—(i) IPP companies which have executed MoU with GoMP and are seeking extension in validity of their MoU shall be required to demonstrate satisfactory evidence of progress achieved which shall be monitored on the basis of milestones indicated in this policy (Ref. Item 6).

(ii) If no satisfactory progress is found to be achieved, it will result in cancellation of the MoU and any approvals accorded to the IPP will be withdrawn.

(iii) Implementation Agreement will be signed with IPP companies who have signed MoU and achieved the milestones referred in item 6 within the original or extended validity period of MoU.

(iv) IPP companies, which have executed Implementation Agreement (IA), shall be required to submit satisfactory evidence of progress achieved through signing of PPA and achievement of Financial Closure within the period mentioned in the IA.

(v) If the developer is unable to achieve the milestones agreed within the stipulated date, the State Government shall have a right to terminate the IA. This will also cause withdrawal of all facilities provided to or availed by the developer.

(B) Policy for future projects.—Henceforth, MoUs under this policy shall be executed and shall be governed by the following policy provisions.

1. Eligibility Criteria.—(a) **Technology.**—A power project of any capacity based on the conventional fuel but utilizing Super critical/Ultra super critical CFBC technology or integrated Coal/IGCC technology or carbon sequestration technology shall be developed.

(b) **Technical Criteria.**—To demonstrate technical capacity and experience the developer signing an MoU shall satisfy the following :—

- (i) The developer must have experience of development/construction of projects (not necessarily in the power sector) during the last 10 years, whose aggregate capital cost must not be less than the amount equivalent to Rs. 0.75 crore per MW of the specified maximum capacity (expected gross capacity of the power station). Out of these projects, the capital cost of at least one project should be equivalent or more than Rs. 0.125 crore per MW of the specified maximum capacity (expected gross capacity of the power station). For this purpose, capital expenditure incurred on projects that have been completed at least 7 (seven) days prior to the date of signing the MoU shall be considered. Also in case a clearly identified part of a project has been put into commercial operation, the capital expenditure on such part of the project shall be considered.

Development of project shall mean successful commissioning of a project in which the developer held equity stake of not less than 26% from the time of financial closure till the time of commissioning of such project.

- (ii) the developer signing a MoU for developing a power project under this policy may be a single entity or a consortium of entities coming together to develop the Power Project. However, there shall be a lead member in the consortium. The criterion (i) above shall apply to the lead member in case of a consortium, in which case the lead firm's shareholding in the SPV formed by the consortium for signing the MoU shall not be less than 51%. Change in constituents of the consortium, other than the lead member, will be permissible till signing of the Implementation Agreement (IA). However, the change in the constituents of the consortium, except for the lead member, after signing of IA, shall require express written consent of the Secretary (Energy). Change in the lead member shall not be permitted at any stage.

(c) **Financial criteria.**—The developer signing the MoU must fulfill following minimum financial requirements :—

- (i) **Net-worth.**—Rs. 0.50 crore per MW of the specified maximum capacity, if the specified maximum capacity does not exceed 2000 MW. In case the specified Maximum capacity exceeds 2000 MW, the net worth requirement shall be Rs. 1000 crore or Rs. 0.25 crore per MW of the specified maximum capacity whichever is higher. The above computation shall be derived from any of the past three years audited annual accounts.

In case the developer has issued any fresh equity capital during the current financial year, the same shall be permitted to add to the developer's net-worth subject to the statutory Auditor of the developer certifying to this effect:

Net-Worth for this purpose shall be computed as below :

Net-worth :

=		Share capital
Add	:	Reserves
Subtract	:	Revaluation reserves
Subtract	:	Intangible assets
Subtract	:	Miscellaneous expenditures to the extent not written off and carry forward losses.

- (ii) **Annual Turnover.**—Rs. 1.20 crore per MW of the specified maximum capacity, if the specified maximum capacity does not exceed 2000 MW. In case the specified maximum capacity exceeds 2000 MW, the annual turnover requirement shall be Rs. 2400 crore or Rs. 0.60 crore per MW of the specified maximum capacity, whichever is higher. The above computation shall be derived from any of the past three years audited annual accounts.

(d) In case of Bid submitted by a Consortium the Financial criteria shall be met individually and collectively by all the Members in the Bidding Consortium and shall be computed in proportion of their equity stake in the SPV as mentioned in the Consortium Agreement.

(e) For the purposes of meeting the Financial criteria only unconsolidated audited annual accounts shall be used. However, audited consolidated annual accounts of the lead member of a consortium may be used for the purpose of financial criteria provided the lead member has at least 26% equity in each Company whose accounts are merged in the audited consolidated accounts and provided further that the financial capability of such companies (of which accounts are being merged in the consolidated accounts) shall not be considered again for the purpose of evaluation of the financial criteria.

(f) In case of a consortium signing an MoU under this policy, the lead member shall be responsible for performance of all the duties and obligations of the developer under this policy.

2. Administrative support.—(a) **Land.**—It shall be the responsibility of the developer to identify the project site. The developer shall undertake a preliminary feasibility of acquiring land at the potential sites, make all possible endeavour to procure land and only if necessary, the Government may be approached for land acquisition.

(b) **Fuel Sourcing.**—The responsibility of sourcing and transportation/supply of fuel to the project shall lie with the developer. In case of mine allocation, the State Government may recommend the allocation of mines to the power project. In case of fuel linkage, the State Government may recommend the fuel linkage to the project covered under this policy. While recommending to the Central Government for fuel linkage/mine allocation, the State shall give priority to projects proposed via competitive bidding.

(c) **Power Evacuation.**—The State Government, through the State Transmission utility or other assignees, will facilitate the clearances and approvals for connecting the power plant to the Grid substation. However, the responsibility of obtaining the clearances and approvals shall remain with the developer. The developer would need to bear the cost of dedicated transmission line, cost of interfacing at both ends, and cost of replacement/up gradation/augmentation of existing equipment or transmission systems etc.

3. Options for power purchase.—It will be binding on the developer to sell power to the extent of 10% of the total power generated (ex-bus) to the GoMP or its nominated agency at the variable cost as approved by the Madhya Pradesh Regulatory Commission (MPERC). Further, the GoMP shall have the first right to purchase additional power to the extent of 30% of generation (ex-bus) from the project at the cost approved by the Madhya Pradesh Electricity Regulatory Commission and according to the conditions of the IA signed between the GoMP and the developer.

4. Invocation of option of power purchase/first right of refusal.—The GoMP shall furnish details of such power projects for which MoU and IA has been signed under this policy to a nominated agency/distribution licensee(s). The nominated agency/distribution licensee(s), at their discretion, will purchase such capacity in accordance with this policy, after completing necessary procedure.

5. Implementation methodology.—(a) A developer intending to setup independent power plants under this policy shall be required to enter into a MoU with the Energy Department, GoMP.

(b) The MoU signed shall remain valid for 12 (twelve) months. This Period could be extended at the discretion of the GoMP.

(c) The developer shall be required to submit a Detailed Project Report (DPR) within six (6) months of signing the MoU. This DPR should contain the details of generation technology, fuel, water and land utilization, environment pollution control technology etc.

(d) The activities and milestones to be achieved by the developers shall follow the schedule and timelines given in item 6. Unless extended by GoMP, non-compliance of the schedule within specified timelines shall result in cancellation of MoU and withdrawal of all facilities provided to the developer.

(e) The Secretary (Energy) will regularly monitor the implementation of the project.

6. Milestones and its timeline to be achieved by the developer :

Sr. No.	Activities/Milestone	Timeline from the date of signing of MoU	Documents to be submitted by the developers on achievement of milestone
(1)	(2)	(3)	(4)
1	Technical and Commercial Fasibility studies.	Within 6 months of signing the MoU.	Detailed Project Report (DPR)
2	Water Allocation	Within 6 Months of signing the MoU.	In Principle Water Allocation
3	Land Acquisition	At least 25% of identified land acquired within 12 months of signing the MoU.	Land Registration/Transfer deed/ Land lease agreement.
4	Environment Impact	Within the validity of the MoU	Copy of ToR issued for appointment of consultant for carrying out EIA.

7. An Implementation Agreement (IA) will be signed after achieving the above milestone within the validity period of MoU.

This Policy shall come into effect from the date of issuance and shall remain effective until further orders.

MOHD. SULEMAN, Secy. (Energy)
Government of Madhya Pradesh, Bhopal.